



**TESTIMONY OF  
WATERBURY HOSPITAL  
SUBMITTED TO THE  
APPROPRIATIONS COMMITTEE  
Friday, February 27, 2015**

**HB 6824, An Act Concerning The State Budget For The Biennium Ending June Thirtieth 2017, And Making Appropriations Therefor And Other Provisions Related To Revenue**

Waterbury Hospital appreciates the opportunity to submit testimony concerning **HB 6824, An Act Concerning The State Budget For The Biennium Ending June Thirtieth 2017, And Making Appropriations Therefore And Other Provisions Related To Revenue**. This bill would reduce Medicaid reimbursement rates, expand the hospital tax, and add new regulatory burdens to healthcare facilities in Connecticut. Waterbury Hospital opposes this bill because it will exacerbate the financial burden placed on hospitals, which will have serious implications for Waterbury Hospital, our patients and community, and the healthcare environment of Greater Waterbury.

HB 6824 should not be viewed in isolation of other healthcare-related legislation and proposed regulatory initiatives. The unprecedented and rapid changes of healthcare reform require a comprehensive policy discussion to determine the best approach for configuring healthcare in Connecticut to meet dynamic community needs—not just a focus on Medicaid spending and payment. **During the last several years, while much focus has been placed on the business of healthcare, as a state we have not had an adequate discussion on the implications of these cuts on the end user – the patients.**

The financial challenges of Waterbury Hospital—and our relentless advocacy for a strategic and capital partner—have been well documented over the last two years. Our hospital, like those throughout the state and across the country, are struggling with the impact of decreasing state and federal reimbursement, healthcare reform, and the changing healthcare marketplace marked by a shift of care from inpatient to outpatient. We have been working diligently to address the issues that are within our control. We have been making the tough choices and difficult decisions, such as a recent reduction in our workforce. Simultaneously we have been examining innovative ways to strengthen and expand our services so that our community will continue to have world-class services close to home. Our future requires investment in technology, not more cuts in reimbursement. However, the issues and challenges are far bigger than Waterbury Hospital and require full state discourse about Connecticut's healthcare system and its future.

Every day at Waterbury Hospital, we are mindful of our promise to our patients—to keep them at the center of everything we do. Our staff works hard not to be distracted by these external forces. We are proud of the care we provide and honored that our clinical excellence, patient satisfaction, and innovative use of IT for strengthening patient care and safety have been nationally recognized.

HB 6824 would expand the hospital tax to \$514.4 million each year, cut Medicaid rates, and eliminate the low-cost hospital pool for FY 2016 and 2017. It would not distribute enhanced revenue on hospital supplemental payments due for FY 2014 and 2015, and would eliminate payments in the future. It would also limit the use of tax credits for businesses and hospitals.

In short, this budget would add even more financial pressure at a time when we need relief. We know the state is facing a challenging budget, but we have already been cut and taxed so significantly that it is hurting patient care, access, jobs, and our economy.

Added to these very serious budget concerns are a number of challenging regulatory issues we face this session that would burden and constrain our hospital, impeding our ability to move care forward in line with the expectations set forth by federal healthcare reform.

As a safety net hospital, our community relies on Waterbury Hospital to be there to meet all patient needs 24-hours a day, every day of every year. Our job, together, is to make sure they have a strong, sustainable healthcare resource for the future. Please oppose the hospital cuts and taxes contained in HB 6824. Thank you for your consideration.